

**HOUSE BILL NO. 90 am(efd fld)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE WOOL

Amended: 3/2/22

Introduced: 2/18/21

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to rental vehicles; relating to vehicle rental networks; relating to  
2 vehicle rental taxes; and relating to vehicle rental fees."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section  
5 to read:

6 SHORT TITLE. This Act may be known as the Vehicle Rental Modernization Act.

7 \* **Sec. 2.** AS 43.52.020 is amended to read:

8 **Sec. 43.52.020. Rate of passenger vehicle rental tax.** The rate of the tax  
9 levied in AS 43.52.010 is

10 (1) 10 percent of the total fees and costs charged for the lease or rental  
11 of a [THE] passenger vehicle **by a vehicle rental business; or**

12 (2) **eight percent of the total fees and costs charged for the lease or**  
13 **rental of a passenger vehicle by a vehicle rental individual.**

1 \* **Sec. 3.** AS 43.52.050(a) is amended to read:

2 (a) The taxes imposed by AS 43.52.010 - 43.52.099 shall be collected and  
3 paid to the department

4 (1) by the

5 (A) person who provides the leased or rented vehicle; or

6 (B) vehicle rental business or vehicle rental individual that  
7 arranged or executed the rental through the vehicle rental network if the  
8 rental was arranged or executed through a vehicle rental network; and

9 (2) in the manner and at the times required by the department by  
10 regulation.

11 \* **Sec. 4.** AS 43.52.050 is amended by adding a new subsection to read:

12 (c) In this section, "vehicle rental network" has the meaning given in  
13 AS 45.45.459.

14 \* **Sec. 5.** AS 43.52.099 is amended by adding new paragraphs to read:

15 (6) "vehicle rental business" has the meaning given in AS 45.45.459;

16 (7) "vehicle rental individual" has the meaning given in AS 45.45.459;

17 \* **Sec. 6.** AS 45.45 is amended by adding new sections to article 8 to read:

18 **Sec. 45.45.425. Vehicle rental network rentals.** A vehicle rental business or  
19 vehicle rental individual that arranges or executes passenger vehicle or recreational  
20 vehicle rentals through a vehicle rental network is subject to the same laws and  
21 regulations as other passenger vehicle or recreational vehicle rentals, including  
22 AS 19.75.915, AS 28.10.375, AS 28.35.320, AS 43.52, and AS 45.45.425 - 45.45.459.

23 **Sec. 45.45.430. Electronic notice and disclosure.** (a) If a vehicle rental  
24 business or vehicle rental individual is required to provide a notice or disclosure, the  
25 vehicle rental business or vehicle rental individual may deliver the notice or disclosure  
26 electronically.

27 (b) A person may accept a notice or disclosure from a vehicle rental business  
28 or vehicle rental individual electronically. The acceptance of a notice or disclosure is  
29 valid until the person affirmatively withdraws acceptance of the notice or disclosure.

30 \* **Sec. 7.** AS 45.45.450 is amended to read:

31 **Sec. 45.45.450. Identification of cost recovery fees.** If a vehicle rental [CAR]

business or vehicle rental individual charges a cost recovery fee, the vehicle rental [CAR] business or vehicle rental individual shall separately identify and charge for each cost recovery fee in writing in the vehicle rental [CAR] agreement. In this section, "cost recovery fee" means a vehicle licensing cost recovery fee, an airport-related cost, a government tax, or a government surcharge.

\* **Sec. 8.** AS 45.45.455 is amended to read:

**Sec. 45.45.455. Vehicle licensing cost recovery fee.** (a) A vehicle rental [CAR] business or vehicle rental individual may not charge a renter a vehicle licensing cost recovery fee unless the vehicle licensing cost recovery fee represents a good faith estimate by the vehicle rental [CAR] business or vehicle rental individual of the average daily cost to the vehicle rental [CAR] business or vehicle rental individual of recovering its actual total annual licensing costs in the state during a calendar year.

(b) If the total amount of the vehicle licensing cost recovery fees collected by a vehicle rental [CAR] business or vehicle rental individual during a calendar year exceeds the actual amount of the vehicle rental [CAR] business's or vehicle rental individual's licensing costs during that calendar year, the vehicle rental [CAR] business or vehicle rental individual shall

(1) retain the excess amount; and

(2) adjust the good faith estimate required by (a) of this section for the next calendar year so that the good faith estimate reflects the excess amount.

(c) In addition to the adjustment required by (b) of this section, a vehicle rental [CAR] business or vehicle rental individual may adjust its vehicle licensing cost recovery fee during the calendar year when the excess vehicle licensing cost recovery fees are collected if the vehicle licensing cost recovery fee otherwise complies with this section.

\* **Sec. 9.** AS 45.45.459 is amended to read:

**Sec. 45.45.459. Definitions.** In AS 45.45.425 - 45.45.459 [AS 45.45.450 - 45.45.459],

(1) ["CAR" MEANS A MOTOR VEHICLE;

(2)] "licensing cost" means the cost of titling, registering, obtaining

license plates for, or inspection of the rental cars of a rental car business in the state;

(2) "passenger vehicle" has the meaning given in AS 43.52.099;

(3) "personal vehicle" means a motor vehicle that is owned, leased, or otherwise authorized to be rented by the owner; "personal vehicle" does not include a taxi, limousine, or other commercial motor vehicle for hire;

(4) "recreational vehicle" has the meaning given in AS 43.52.099;

(5) "vehicle" [(3) "MOTOR VEHICLE"] has the meaning given to "motor vehicle" in AS 28.90.990;

(6) [(4) "RENTAL CAR BUSINESS" MEANS A PERSON WHO ENGAGES IN THE BUSINESS OF RENTING CARS IN THE STATE;

(5)] "vehicle licensing cost recovery fee" means a fee to recover licensing costs;

(7) "vehicle rental business" means a person who

(A) engages in the business of renting a vehicle in the state or, through a vehicle rental network, arranging or executing a vehicle rental in the state; and

(B) rents four or more vehicles in the state;

(8) "vehicle rental individual" means a person who

(A) engages in the business of renting a vehicle in the state or, through a vehicle rental network, arranging or executing a vehicle rental in the state; and

(B) rents three or fewer vehicles in the state

(9) "vehicle rental network" means a digital network that connects vehicle renters to personal vehicle owners; in this paragraph, "digital network" means any online-enabled application, software, website, or system offered or used by a vehicle rental network company that enables the prearrangement of vehicle rentals with personal vehicle owners.